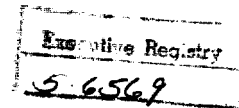


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26 April 1954

Memorandum For: Acting Deputy Director (Administration)

Subject : Proposed Amendment of Administrative
Expenses Act of 1946 (Public Law 600)

1. An earlier version of this proposed legislation was discussed within the Agency and with the Bureau of the Budget on 15 January 1954. One of the outstanding features of the January draft was the total prohibition against transportation of personal vehicles at Government expense. Since this prohibition in the opinion of the representatives of several Agency components with whom the matter was discussed would have created severe problems of an operational as well as employment nature at many CIA overseas installations it was requested that this Agency be exempted from the Act.

2. The present draft specifically exempts the Agency from the Act. The draft contains several provisions, however, which, if this Agency were subject to it, would grant broader authorities than are presently contained in the CIA Act of 1949. These include:

- a. The authority to store an employee's household goods for three months upon arrival at a new station, including the United States.
- b. The authority to pay storage of an employee's household effects to avoid the cost of transporting such effects to the new permanent duty station.
- c. The authority to ship private automobiles to any official duty station outside the United States, including territories and possessions.

You will remember that the Legislative Task Force in its final report

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also recommended that the Agency seek to secure authority to ship private automobiles to territories and possessions as well as foreign countries. The present draft retains the original provision of the January draft which prescribed a flat ceiling of 14,000 pounds, crated, on the amount of household goods which will be shipped at Government expense. Present regulations prescribe graduated maximum weights, depending on the grade of the employee, up to 18,000 pounds. The Logistics Office is of the opinion, however, that this reduction will restrict few if any of the Agency's employees.

3. The content of the present draft has been discussed with representatives of the Comptroller, the Assistant Director for Personnel, the Logistics Office, DD/P (Administration), and the office of the Acting Deputy Director (Administration). It is our opinion, shared by those with whom the matter has been discussed, that this Agency should consent to be included in the Act. This opinion is based upon the belief that CIA in its normal administrative operations should not be granted special authorities not granted to other agencies and that, where required by the peculiar operational needs of the Agency, adequate legal authority is contained in Section 10 of the CIA Act of 1949 to justify departure from whatever authority may be contained in this legislation as finally enacted. It is to be noted that this is one of the very few pieces of Federal legislation which attempts to embrace all Government personnel, both military and civilian, including the Foreign Service.

4. It is realized that the content of the Act may be altered by restriction during the course of its passage through the Congress. For this reason we recommend that the Legislative Counsel be instructed to follow the future course of the bill in order that timely remedial action may be taken if necessary.

5. Attached is a proposed letter from the ^{LEGISLATIVE COUNSEL} ~~Director~~ to the Bureau of the Budget endorsing the legislation as presently drafted, but requesting that the exemption granted this Agency be removed and that Sections 5(a)(1)(D), 5(a)(1)(E) and 5(a)(4) of the CIA Act of 1949 be specifically repealed. These sections authorize the Director to provide for the storage of furniture and household effects of and to

pay for the cost of transporting automobiles of officers and employees of this Agency. It is recommended that this letter be forwarded to the Bureau of the Budget.



Office of General Counsel

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Attachment

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